

Finance Committee Report to Parents

Control of the school's finances is delegated by the Governing Body (GB) to the Headteacher, School Business Manager (SBM) and Finance Committee (FC). Together we produce a budget each year in March for the forthcoming financial year, April 1st to March 31st. This is done in conjunction with our adviser from Cambridgeshire County Council and using the County Council schools budgeting toolkit.

In practice Mrs Hill and Mrs Vadhia prepare for this exercise by looking at projected expenditure line by line taking into account the previous year's figures, their vast experience, any known extras or savings and taking account of increases in staffing costs resulting from the addition of new posts and pay increases; either those permitted by Government or as a result of career progress in line with the school's pay policy.

Our expenditure is subject to a number of unknown quantities. For example, the school has to fund the first £6,000 of expenditure to support children with special needs. We don't know for sure at the time of producing the budget how many such children we will be accommodating.

Usually the budget produced projects an excess of expenditure over income as a "worst case scenario" method is adopted. Fortunately the school has been able to build up some modest reserves over the years. The FC then ensures that the deficit will be covered by the reserves and to the extent that there are still unused reserves asks the school to come up with proposals to spend 50% of the remaining reserve. The other 50% is kept in reserve for unpredicted expenditure. The FC then recommends that the GB accept the budget.

In the year 2015-16 approximately 85% of our revenue was paid out on staff costs. This is projected to rise to approximately 89% in the year 2016-17 as we are required to make heavier National Insurance contributions than hitherto. In 2015-16 we were given funding of about £8.5k to spend on capital items (things like air conditioning in Reception and extending the wireless network). We are also allowed to move a certain amount of money from our income into our capital budget and in 2015-16 we moved just over £16,000. We actually spent all the money available to us for capital items.

The GB and FC are very lucky to have such an experienced Head Teacher and SBM when it comes to budgeting. Nevertheless the final outcome in each March shows that rather than run at the deficit projected the school often roughly breaks even or even ends up in surplus. The main reasons for this are (1) the worst case scenario doesn't transpire (2) staff costs are usually well under budget. This is because it is assumed that all posts are filled for 52 weeks in the year whereas, in practice, some posts lie empty while we recruit. Also Mayfield has a reputation for fostering its staff's career progress. Consequently each year we have got used to losing some of our most experienced and expensive staff who obtain promotions in other schools. Their replacements often are at salary scales below those just vacated.

Throughout the year the FC keeps track of how the school is progressing against budget and will intervene if it believes that there are areas of concern. Robust processes to ensure that fraud does not occur are in place and the FC appoints a non-staff governor to do spot checks on the ordering and payment process as well as handling of cash such as for dinner monies.

We also benchmark ourselves against other schools with a similar set of characteristics to assess how we perform against them. In the most recent benchmarking exercise we come out quite well, in particular in the measurement of Key Stage 2 points scored when compared to our total income. In other words we provide children and parents with good value for money.

If any parents would like to take a look at the budget or how we are processing against it at any time they are welcome to contact Mrs Vadhia or me, Laurie Coppersmith, as Chair of the Finance Committee.

In the year September 1st 2014 to August 2015. The following were members of the Finance Committee and the number to the far right indicates how many of the 4 meetings held during the year that governor attended:

Laurie Coppersmith	Chair	3
Mrs Jaspaul Hill	Head Teacher	4
Antony Rix	Parent Governor	3
Jim Thorpe	Parent Governor (joined mid-year)	2
Robert Thompson	Community Governor “	3
David Hargreaves	Parent Governor “	4
Mrs Kate Vadhia	Bursar	4